

**NOTICE TO FEDERAL CUSTOMER AGENCIES AND TRANSPORTATION SERVICE  
PROVIDERS PARTICIPATING IN GSA'S FREIGHT MANAGEMENT PROGRAM (FMP) –  
2% INSURANCE RELATED SURCHARGE**

In a letter dated March 11, 2002, the Counsel for the National Motor Freight Traffic Association (NMFTA) requested that transportation service providers (TSPs) be allowed to impose a two 2% surcharge on all domestic closed van, less-than-truckload and truckload shipments moving under GSA's FMP. The basis for the request is to help offset the rise in insurance premiums. GSA has agreed to the two 2% surcharge. As a result, effective May 1, 2002, a separate line item representing 2% of the line-haul charges may be added by the TSP to the agency's billing invoice.

Identified below are the time frames during which TSPs will have an opportunity to either submit new rate offers or supplement current rate offers. During these time frames TSPs will need to make adjustments in their rate offers to compensate for any continued need for an insurance related surcharge. As a result, effective November 1, 2002, TSPs will no longer be allowed to bill agencies participating in GSA's FMP for a separate line item relating to an insurance surcharge.

Request for Offers (RFO)	Open Window Filing Period	Effective Date
National Industries for the Blind (NIB) and National Industries for the Severely Handicapped (NISH)	July or August, 2002	November 1, 2002
General Request for Offers	August 1 – September 6, 2002	November 1, 2002
*United States Mint	None	May 1, 2003

For those TSPs with a paper Optional Form 280 (OF280) on file with GSA for domestic closed van, less-than-truckload and truckload shipments, TSPs will need to submit supplements to their OF280s with an effective date of November 1, 2002, adjusting their rate offers to compensate for any continued need for an insurance related surcharge. Effective November 1, 2002, TSPs with OF280s on file will no longer be allowed to bill agencies participating in GSA's FMP for a separate line item relating to an insurance surcharge.

\*The U.S. Mint RFO did not contain a supplemental filing window; however, effective November 1, 2002, TSPs will not be allowed to continue billing the 2% insurance related surcharge as a separate line item unless a request is submitted and substantiated by evidence that a need for the surcharge will still exist at that time.